

WASHINGTON -- A Washington think tank is reporting today that the Taxpayer Relief Act passed by Congress in 1997 will provide the parents of 515,800 children in Alabama with a new tax credit of \$400 per child, said U.S. Rep. Spencer Bachus (R-AL). With tax day just around the corner, Bachus said he is encouraging parents to use the new tax credit to lower their tax bills.

"There's good news for some families on April 15 for a change," Bachus said of the child tax credit. "This tax credit will give hard-working parents more freedom in raising their children and more opportunities to take care of their family's needs. At a time when the burden of taxes is so high, this family tax credit is a small but important step that lets families keep more of what they earn."

The child tax credit was included as part of the Taxpayer Relief Act passed by Congress in August 1997. It is in effect for the first time this tax filing season and is worth \$400 per child under 17 this year. The tax credit will increase to \$500 per child under 17 next year.

The Heritage Foundation's Center for Data Analysis released a report today that estimates the parents of 515,800 children in Alabama will be able to claim the tax credit this year. Nationally, the new credit benefits the parents of 38 million children, the report says.